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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
whether there has been a violation of the
Securities Act of Washington by:

NORTHWEST BEST DIRECT, INC.,
VINCENT E. BOZZI, and EMILY G. BOZZI,

Respondents.

Order No. S-03-115-04-CO01

CONSENT ORDER TO CEASE AND DESIST,
REVOKE EXEMPTIONS, AND TO ORDER
PAYMENT OF RESTITUTION, FINES, AND
COSTS

THE STATE OF WASHINGTON TO: Northwest Best Direct, Inc. Vincent E. Bozzi
Vincent E. Bozzi, President Emily G. Bozzi
5805 East Sharp Ave, Suite 2 4024 E 13th Ave
Spokane, WA 99212 Spokane, WA 99202

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INTRODUCTION

On December 19, 2003, the Securities Administrator of the State of Washington issued Statement of Charges Number S-03-115-03-SC01 ("Statement of Charges"), against Respondents Northwest Best Direct, Inc., Vincent E. Bozzi, and Emily G. Bozzi. The Securities Division ("Division") and the Respondents do hereby agree to this Consent Order in settlement of the above captioned matter. Respondents acknowledge the Division's jurisdiction and authority to enter this Order in settlement of this matter. Respondent Vincent E. Bozzi has cooperated with the Division's investigation into this matter, and admits to the Findings of Fact as set forth below. Respondents Northwest Best Direct, Inc. and Emily G. Bozzi neither admit nor deny the Findings of Fact and Conclusions of Law as set forth below.

FINDINGS OF FACT

I. Respondents

1. Northwest Best Direct, Inc. ("NBD") is an active Washington for-profit corporation authorized to do business June 25, 1997. NBD is engaged in the business of publishing coupon books and magazines for public distribution in Spokane County. NBD maintains its principal place of business in Spokane.

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360-902-8760

1 2. Vincent E. Bozzi (“Bozzi”) is the President and Chief Executive Officer of NBD.

2 3. Emily G. Bozzi is the Secretary and Treasurer of NBD. The Bozzis reside in Spokane.

3 II. Background

4 4. On November 20, 2001, the Securities Administrator issued a Summary Order to Cease and
5 Desist, SDO-095-01, against the above-named Respondents. In lieu of an administrative hearing,
6 Respondents submitted a statement for consideration by the Securities Administrator. The statement
7 requested that the Division reconsider the matter and reduce any fines. Finding no grounds in
8 Respondents' statement to reconsider the conclusions of law, but finding support for minor factual changes
9 and suspension of the fine, on December 19, 2001, the Securities Administrator entered a Final Order to
10 Cease and Desist and Revoke Exemptions, SDO-108-01. On December 22, 2001, Respondents were
11 served with two copies of the Final Order, one addressed to the Bozzis, and one addressed to NBD.

12 III. Nature Of Respondents' Conduct

13 5. On or about January 1, 2003, Respondent Bozzi read a biography about a local retired
14 businessman, LW¹, and wrote him about doing a feature story in one of his magazines, Spokane Coeur
15 d’Alene Living. LW responded with interest, and Bozzi met with LW to discuss the story. During their
16 meeting, Bozzi discovered that LW had previously financed a similar magazine in the Spokane area. In
17 need of financing for NBD, Bozzi took the opportunity to solicit LW for a business loan to support NBD.
18 After further discussions, instead of structuring the financing as a loan, Bozzi prepared a Stock Purchase
19 Agreement reflecting a \$30,000 investment in NBD by LW.

20 6. The agreement, dated March 4, 2003, calls for Vincent and Emily Bozzi, as sole owners and
21 shareholders of NBD, to sell 497 shares of stock in NBD to LW, and for LW to pay Respondents \$30,000
22 for the shares. In addition, the agreement provides that Respondents will provide LW with an additional

23 _____
24 ¹ The investor’s full name is not used to protect his privacy.

1 497 shares of stock for assisting Respondents to raise an additional \$150,000 in investment capital. LW
2 wrote a check to NBD for the \$30,000 investment on the same date, which Respondents deposited.

3 7. On or about March 13, 2003, Bozzi spoke with a reporter from the Spokane Journal of Business.
4 Bozzi reported that LW had invested in NBD and would be assisting NBD find other potential investors.
5 Bozzi falsely reported that he had added LW to the NBD Board of Directors.

6 8. The Division's Final Order to Cease and Desist and Revoke Exemptions, SDO-108-01, enjoined
7 Respondents from engaging in certain practices in violation of the Securities Act of Washington:

- 8 a) Offering or selling securities in any manner in violation of RCW 21.20.140, the
9 securities registration provision;
10 b) Acting as a broker-dealer or securities salesperson in violation of RCW 21.20.040, the
11 broker-dealer and securities salesperson registration provision; and
12 c) Making material misrepresentations or omissions in connection with the offer or sale
of securities in violation of RCW 21.20.010, the anti-fraud provision.

13 In addition, the Final Order revoked the availability of certain exemptions from registration for five years,
14 and imposed a \$20,000 fine. The fine was suspended based on future compliance with the Final Order.

15 9. The stock sold by Respondents was not registered with the Securities Division or exempt from
16 registration. None of the Respondents were registered with the Securities Division as broker-dealers or
17 securities salespersons. Respondents did not disclose any information relating to Respondents' prior
18 violations of the Securities Act to LW.

19
20 Based upon the above Findings of Fact, the following Conclusions of Law are made:

21 **CONCLUSIONS OF LAW**

22 1. The offer and/or sale of NBD stock by Respondents as described above constitutes the offer and/or
23 sale of securities as defined in RCW 21.20.005(10) and (12).

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1 2. Respondents have each knowingly or recklessly violated RCW 21.20.140, the securities registration
2 provision of the Securities Act of Washington, by offering and/or selling said securities while no registration
3 was on file with the Securities Division.

4 3. Respondents have each knowingly or recklessly violated RCW 21.20.040, the broker-dealer and
5 securities salesperson registration provision of the Securities Act of Washington, by offering and/or
6 selling said securities while not registered as broker-dealers or securities salespersons in Washington.

7 4. In the offer and sale of said securities, Respondents have each knowingly or recklessly violated
8 RCW 21.20.010, the anti-fraud provision of the Securities Act of Washington, by failing to disclose
9 information relating to Respondents' prior violations of the Securities Act, the Summary Order and Final
10 Orders enter against them, and the fact Respondents were enjoined from selling unregistered securities.

11 5. Respondents have each knowingly or recklessly violated the Final Order SDO-108-01.

12
13 **CONSENT ORDER**

14 Based upon the foregoing, IT IS AGREED AND ORDERED that pursuant to RCW 21.20.390,
15 Respondents Northwest Best Direct, Inc., Vincent E. Bozzi, and Emily G. Bozzi, their officers, directors,
16 employees, partners, attorneys, accountants, agents, affiliates, subsidiaries, predecessors, and successors,
17 and any person acting on their behalf with express, implied or apparent authority to do so, shall each cease
18 and desist from offering or selling securities in any manner in violation of RCW 21.20.140, the securities
19 registration provision, RCW 21.20.040, the broker-dealer and securities salesperson registration provision,
20 or RCW 21.20.010, the anti-fraud provision of the Securities Act of Washington.

21
22 It is further AGREED AND ORDERED that pursuant to RCW 21.20.325, the exemptions available to
23 Respondents under RCW 21.20.320(1), (9), (11), and (17) are hereby permanently revoked.

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1 It is further AGREED AND ORDERED that pursuant to RCW 21.20.390, Respondents shall be jointly
2 and severally liable for payment of restitution to LW in the amount of Thirty Thousand Dollars (\$30,000), less
3 credit for payments made. As of the date of this Order, Respondents have paid LW \$12,000 in restitution.
4 Pursuant to an agreement between Respondents and LW, Respondents shall continue to make payments at the
5 rate of \$1,000 per month until the balance of \$18,000 is paid in full.

6
7 It is further AGREED AND ORDERED that pursuant to RCW 21.20.395, and based on the above
8 Findings of Fact and Conclusions of Law, Respondents are fined Ten Thousand Dollars (\$10,000), with Five
9 Thousand Dollars (\$5,000) of that amount suspended based on compliance with this Order. In addition, Five
10 Thousand Dollars (\$5,000) of the fine suspended in Final Order SDO-108-01 is imposed based on the
11 violation of that Order. Respondents shall be jointly and severally liable for and pay to the Securities Division
12 the total of Ten Thousand Dollars (\$10,000) in fines at the rate of \$1,000 per month, with payments
13 commencing on the earlier of October 1st, 2005 or upon completion of restitution payments to LW.

14
15 It is further AGREED AND ORDERED that pursuant to RCW 21.20.390(5), Respondents shall be
16 jointly and severally liable for and pay to the Securities Division the costs, fees, and other expenses incurred
17 in the conduct of this administrative investigation in the amount of Four Thousand Dollars (\$4,000).
18 Payment of the costs shall be made at the rate of \$1,000 per month, with payments commencing on the earlier
19 of August 1, 2006 or upon completion of fine payments to the Division.

20
21 It is further AGREED AND ORDERED that in the event of a violation of any provision of this
22 Consent Order, the Securities Division will seek enforcement of the Order pursuant to RCW 21.21.390.

1 It is further AGREED that Securities Division vacates Statement of Charges S-03-115-03-SC01 as to
2 all Respondents. In consideration of the foregoing, Respondents Northwest Best Direct, Inc., Vincent E.
3 Bozzi, and Emily G. Bozzi withdraw their requests for hearings, waive their right to a hearing on this
4 matter, and waive their right to judicial review of this Order pursuant to RCW 21.20.440.
5

6 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE**
7

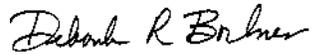
8 SIGNED this __13th__ day of ____March_____, __2004.

9 _____/s/_____
10 Vincent E. Bozzi, Individually and as CEO
11 and President of Northwest Best Direct, Inc.

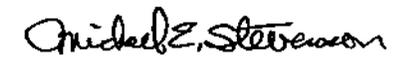
_____ /s/ _____
Emily G. Bozzi, Individually and as Secretary
and Treasurer of Northwest Best Direct, Inc.

12
13 ENTERED this __18th__ day of ____March_____, __2004.

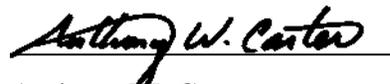
14 Order Entered by:

15 
16 Deborah R. Bortner
17 Securities Administrator

18 Approved by:

19 
20 Michael E. Stevenson
21 Chief of Enforcement

Presented by:

22 
23 Anthony W. Carter
24 Financial Legal Examiner

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